

3 June 1957

ORR CONTRIBUTION TO THE SEMI-ANNUAL REPORT  
TO THE PRESIDENT'S BOARD OF CONSULTANTS  
ON FOREIGN INTELLIGENCE ACTIVITIES

Economic and Geographic Intelligence Production

In the past six months there was continued research emphasis on the economic aspects of Bloc military programs, particularly in support of NIE's. This included studies of economic factors bearing on the extent and composition of the Soviet guided missiles program and on Soviet capabilities in the fields of air defense and nuclear energy. Continuing attention was devoted to calculations of costs of the Bloc military effort.

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In addition to providing the principal contributions to NIE's and to the NIS Program on major aspects of the Sino-Soviet Bloc economy, ORR has produced detailed research reports on such major developments as: the Bloc civil defense program; organizational realignments in the Soviet economic structure; and the Soviet New Lands program. Basic research emphasis is continuing on economic growth, national accounts, investment policies, transportation capabilities, housing, agriculture, and population trends.

Recent dramatic developments in the Sino-Soviet Bloc, and in its expanding economic relations with the Free World, led to increased ORR emphasis on current intelligence. Special evaluations were made of the economic aspects of recent events in Poland and Hungary. One on East Germany is in progress. Soviet capabilities to achieve announced economic goals are being reassessed, particularly in light of current changes in the Soviet economic planning and control structure. In addition to providing current support for coordinated publications of the Economic Intelligence Committee on Bloc economic penetration activities in underdeveloped areas ORR has been asked to prepare, jointly with the Department of State, quarterly briefing papers on such Bloc activities for the Council on Foreign Economic Policy. During the Suez crisis a weekly all-source summary, covering Bloc shipping and cargo movements in the Middle East, was initiated in ORR to support the IAC Watch Committee. This support was continued during the past six months.

Geographic research has focused on studies in support of unconventional warfare planning and other clandestine activity for use by CIA and the Armed Services. Major projects in progress cover Indonesia, Communist China, Czechoslovakia, Bulgaria, and Poland. Other priority projects are under way on possible sites for guided missiles ranges in the USSR. Soviet activities in Antarctica, and conditions for evasion and escape in the Southwestern USSR. Production of intelligence maps and charts included a large effort in support of the NIS Program and a wide range of special interests such as maps of the New Lands area of the USSR, city plans in support of clandestine activities, and map treatments of special problems related to the Suez and Kashmir situations.

### Departmental Coordination Activities

In addition to formal arrangements for community-wide coordination of economic intelligence activities, discussed in a later section, direct coordination was carried on at all levels, both within and outside the Agency. Particularly important has been the recent agreement whereby AFOIN now looks to ORR to provide certain detailed intelligence support to the Air Force's air targeting estimates for certain key Soviet industries. This arrangement represents a major step in the elimination of duplication, and has made possible reassignment of AFOIN personnel to other priority work for which Air Force is more directly responsible. Bilateral interagency coordination has been particularly important in connection with contributions to National Intelligence Estimates. Individual analysts throughout the community exchange critical comments on research in progress and finished publications. For example, as a result of informal critiques, the objectives and methods of treatment for studies in support of unconventional warfare planning were clarified, and an agreed ORR production program was developed among CIA, Air Force, and Army. Continuous active liaison is maintained with the National Security Agency.

### Major Intelligence Gaps

Many previous gaps in economic information on the Bloc have been filled by the recent release of additional data, including that contained in a number of economic handbooks published by the USSR and certain of the European Satellites. Serious data deficiencies nevertheless continue, particularly in economic fields closely associated with Bloc military capabilities. The continuing lack of direct intelligence on Bloc military expenditures has led to the development of ingenious indirect techniques of estimation, but the margin of error involved seriously limits their application. Up-to-date mapping, geodetic, and gravimetric data are lacking throughout the Bloc, despite priority attention to collection. Soviet activities in the Antarctic are becoming an important intelligence gap. And the developing strategic importance of Africa focuses attention on the general lack of detailed and evaluated geographic intelligence on this area.

### Dissemination of Finished Intelligence

Dissemination by ORR included 26 economic intelligence reports and 61 geographic research reports. Other ORR production included 10 Intelligence Memoranda, 550 intelligence maps and charts, and 4 Research Aids. Support papers included 143 for the IAC Watch Committee, 94 for other parts of CIA, 39 for other U.S. agencies, 64 Current Support Memoranda, and 390 articles for OCI publications.

### Central Reference

Community use of the ORR Map Library increased more than 10 percent in the past six months, to a total of 7,247 requests. Inquiries have been heaviest on the Middle East.

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Formal Coordination of Economic Intelligence

Through the Economic Intelligence Committee, chaired by GRR, current research is systematically reviewed as a guide for the future programming of the separate agencies, contributing to the elimination of duplication and identification of priority gaps. EIC annual surveys provided comprehensive listings of internal and external economic research throughout the U.S.

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Government [REDACTED] (1) the Sino-Soviet Bloc and (2) Free World areas where significant Bloc economic penetration activities have been noted. The various EIC Subcommittees following particular segments of the Bloc economies continued with their systematic identification of priority research deficiencies and with progress reports on corrective actions taken. Parallel surveys of priority collection deficiencies led to review and sharpening of collection requirements. Specific remedial measures included the complete revision and updating of a comprehensive requirements guide on Communist China, which has been distributed to field collectors throughout the Far East. [REDACTED]

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[REDACTED] During this period, 27 Route Folders (including selected air routes of the USSR), and 51 Town Briefs were issued or revised, bringing the total for the Bloc to 103 Route Folders and 133 Town Briefs.

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[REDACTED] were made with the Army Map Service to loan a man to State for a six-month procurement mission in Northwest Europe.

Coordinated EIC reports produced during the period included a series of Biweekly Reports, and two analytical Summaries, of Sino-Soviet Bloc Economic Activities in Underdeveloped Countries. The sixth EIC report on Communist China's Trade and Transport was issued and a report covering 1956 was initiated. Major EIC reports in progress deal with the capacity and traffic of the Trans-Siberian Railway and with the long-range prospects of Soviet agriculture. The IAC Ad Hoc Committee on Exchanges obtained technical guidance on a large number of proposed exchanges of delegations from various EIC Subcommittees.

In the field of economic defense, coordinated intelligence was provided by the Economic Defense Intelligence Committee (EDIC), chaired by ORR. Attention was focused on Free World shipbuilding for the Bloc, gold sales, and strategic materials used in aerial propellants. ORR also gave regular support to the Economic Defense Advisory Committee (EDAC) in the U.S. policy review of multilateral controls against Communist China, to the Advisory Committee on Export Policy (ACEP) in the current administration of U.S. controls and licensing policy, and to the Diversion Control Net on cases of suspected clandestine shipments to the Bloc.

Dissemination of coordinated interdepartmental economic intelligence included 3 EIC reports, 13 issues of the biweekly digests of Bloc economic penetration activities, and 2 annual Surveys, as described above. EDIC distributed 2 papers on Free World shipbuilding for the Bloc and 1 on materials for aerial propellants.

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25X1A5a1 through the EIC under provisions of DCID 15/1. During the past six months ending 1 May 1957, [REDACTED]

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